Project Goal

Identify steps necessary to:

- Ensure Yamhill County agriculture can continue to thrive.
- Nurture the emerging tourism sector to welcome visitors and benefit local communities.
- Accommodate businesses that support these important sectors.
## Participants

### Communities
- Amity
- Carlton
- Dayton
- Dundee
- Lafayette
- McMinnville
- Newberg
- Sheridan
- Willamina
- Yamhill
- Yamhill County

### Agencies
- McMinnville Economic Development Partnership
- Oregon Department of Land Conservation & Development
- Oregon Economic and Community Development Department

### Consultant Team
- Barney & Worth, Inc., Project Manager
- E.D. Hovee & Co., Economic Analysis
- Globalwise, Agricultural Economist
- Spencer & Kupper, Land Use Planning
Focus Areas

- Agriculture Sector
- Tourism Sector (and Agri-Tourism)
- Land Use
- Infrastructure
Yamhill County Agriculture – Current Conditions

- **History**: agriculture key sector since first settlers
- **An economic mainstay**, growing and prosperous: $296 million in 2007 (nursery crops are half of total)
- **Diverse**: nursery, grass, grain, hazelnuts, tree fruit, wine grapes
- **Robust**: more than 1,000 farm families; largest wine grape harvest in Oregon; wine is fastest growing segment
- Yamhill County ag land is *staying in production*
- Businesses to support ag are *already in place*
Yamhill County Agriculture – Issues

- Maintaining diversity of crops
- Water supply constraints
- Transition to “green”: organic farming, alternative/renewable energy
- Blending tourism with agriculture: a delicate balance
- Better communication needed between wineries, traditional agriculture, tourism
Yamhill County Agriculture – The Future

- Solid and prosperous foundation: unique, progressive, diverse
- Changing face of agriculture: trend toward small, specialty producers
- Sustainable and green practices
- “Buy Local” movement
- Local value-added processing
- Strength through diversity
Yamhill County Tourism – Current Conditions

- Compare 8 wine and non-wine destinations (OR/WA/CA)
- Yamhill 2nd lowest in tourism spending (lowest per capita)
- Tourism job share and average wage are low

Comparable Region Visitor Spending Per Capita (2006)

- Deschutes: $2,950
- Jackson: $1,780
- Lincoln: $10,100
- Benton-Franklin: $1,420
- Walla Walla: $1,310
- Yakima: $1,320
- Napa: $6,660
- Sonoma: $2,600
- Yamhill: $890
Visitor Spending
Per Capita (2007)

- $92 million spent (+54% 2002-07)
- Per capita spending only 44% of state average
- Visitors tend to be day-trippers (less value-add)
- Current impact: 1,120 jobs, $17.2 million payroll

Yamhill County Tourism-Trends

Visitor Spending Per Capita (2007)

$2,225

$988

Yamhill County

State of Oregon

$92 million spent (+54% 2002-07)

Per capita spending only 44% of state average

Visitors tend to be day-trippers (less value-add)

Current impact: 1,120 jobs, $17.2 million payroll
Lodging Trends

- 656 overnight rooms
- 12 hotels/motels + 30 B&Bs
- Average occupancies and room rates below statewide averages
- Area lodging not yet geared to expectations of affluent wine travel market
Yamhill County Tourism – Issues

- Need more and better accommodations
- Outdoor-oriented visitors lack facilities
- Infrastructure is a challenge
- Wine tourism is seasonal and cyclical
- Yamhill County needs a tourism plan, team approach
- Missing: lodging tax to capture tourism benefits
Yamhill County Tourism – The Future

- Wine industry: more wineries, more visitors, increased sales
- Lodging: more rooms, at various price points
- Outdoor adventures (and support facilities)
- Food/wine connection
- Arts and cultural attractions
- Lodging tax
Yamhill County Zoning – EF (Farm) and AF (Ag/Forest)

- EF = large properties on valley floor and low terraces
- AF = foothill and ridgetop sites
- Wineries permitted in both zones
  - Up to 50,000 gal production on 15 acre vineyard
  - Over 50,000 gal production on 40 acres
  - On-site retail wine sales allowed
  - Only limited food service allowed
- Lodging limited to Bed & Breakfasts (9 rooms)
- Farm crop processing limited to 10,000 SF
Prototype Projects

To support agriculture:
- Food Processor 30,000 sf

To support tourism:
- Resort Complex 100 rooms
- Country Inn 40 rooms
- Bed & Breakfast 10 rooms
- Wine Country Restaurant 70 seats
- Wine Center 150 rooms
Prototype Projects – Zoning Issues

Impossible to site:

- Resort Complex in Carlton, Lafayette
- B&B larger than 9 rooms
- Country Inn in Carlton, Lafayette
- Wine Center in Carlton, Lafayette
Prototype Projects – Zoning Issues

Difficult to site:

- Resort Complex allowed only in RC zone
- Country Inn only in NC zone
- Urban Wine Center only in RC zone
- Cities may lack adequately sized sites
Prototype Projects – Zoning Issues

Zoning Code Considerations:

- Analyze availability of suitably sized and located sites
- Add suitable sites within UGBs
- Amend zoning to accommodate desirable development:
  - Agricultural processing activities in EF/AF
  - Restaurants at wineries
  - Wider range of mixed uses
Prototype Projects – Available Sites

Resort Complex – Dundee, McMinnville, Newberg, Sheridan

Country Inn – Dayton, Dundee, McMinnville, Newberg, Sheridan

B&B – Sites available in every community

Restaurant – Willamina, Yamhill lack sites

Conclusion: Lack of services and sites will limit most new visitor facilities to the larger cities.
Infrastructure Study

Drinking water supply
Wastewater collection & treatment
Transportation
Telecommunications
Other: stormwater, power, “soft infrastructure” – open space, parks, trail systems, toilets, tourism services, visitor information, marketing
Infrastructure Survey – Service Issues

Impossible to Serve:

?

Difficult to Serve:

?
Infrastructure Survey Highlights

- All communities face infrastructure needs – most in three key areas: sewer, water, transportation.
- Plans are in place – but thwarted by lack of funding.
- Deficiencies hinder siting new businesses.
- Reluctance to raise utility rates and SDCs contributes to the problem.
- There’s emerging interest in finding solutions through regional cooperation.
## Opportunities for Cooperation

### Yamhill County Infrastructure

**Community Cooperation Opportunities**

<table>
<thead>
<tr>
<th>Water</th>
<th>Wastewater</th>
<th>Transportation</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amity</td>
<td>Develop water supplies with Dayton and Lafayette</td>
<td></td>
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<tr>
<td>Carlton</td>
<td>Obtain treated water from McMinnville (existing plant and pipeline)</td>
<td></td>
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</tr>
<tr>
<td>Dayton</td>
<td>Share water supplies with Lafayette; develop water supplies with Amity &amp; Lafayette; obtain treated water from McMinnville</td>
<td></td>
<td></td>
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<tr>
<td>Dundee</td>
<td>Obtain water from Newburg; provide access to Willamette for regional supply options</td>
<td>Send wastewater to Newburg for treatment</td>
<td></td>
</tr>
<tr>
<td>Lafayette</td>
<td>Share water supplies with Dayton; develop water supplies with Amity and Dayton; obtain water from McMinnville</td>
<td>Coordinate with ODOT on industrial park access</td>
<td></td>
</tr>
<tr>
<td>McMinnville</td>
<td>Supply water to Carlton, Dayton, Lafayette, Yamhill</td>
<td></td>
<td>Assists smaller communities</td>
</tr>
<tr>
<td>Newberg</td>
<td>Supply water to Dundee; provide access to Willamette for regional supply options</td>
<td>Treat Dundee wastewater</td>
<td></td>
</tr>
<tr>
<td>Sheridan</td>
<td>Share water with Willamina; maintain emergency intertie</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Willamina</td>
<td>Share water with Sheridan; maintain emergency intertie</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yamhill</td>
<td>Obtain treated water from McMinnville</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Yamhill County</td>
<td>Convenor of Regional Water Task Force</td>
<td></td>
<td>IGA's with other counties to share resources</td>
</tr>
<tr>
<td>Others</td>
<td>ODOT shares resources with communities</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Interagency Cooperation

“Interview Quotes”

- “The days of doing our own thing are done.”
- “Regional Water Task Force results showed sub-regional solutions are better.”
- “Yamhill County can serve as a catalyst, spearhead discussions about cooperative solutions.”
- “Transportation is heading towards a more unified group, but there’s a long way to go.”
- “There is no ‘Big Bang Theory’. Solutions will be sub-regional.”
Funding Options

- Utility rates
- SDCs
- State / federal grants & loans
- Local option gas tax*
- Lodging tax
- Other

*This option was foreclosed by 2009 Oregon legislature.
<table>
<thead>
<tr>
<th></th>
<th>2004</th>
<th></th>
<th></th>
<th>2008</th>
<th></th>
<th></th>
<th>Percent Increase</th>
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<tr>
<td></td>
<td>Water</td>
<td>Sewer</td>
<td>Total</td>
<td>Water</td>
<td>Sewer</td>
<td>Total</td>
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<tr>
<td>Amity</td>
<td>$58.06</td>
<td>$40.00</td>
<td>$98.06</td>
<td>$43.50</td>
<td>$50.22</td>
<td>$93.73</td>
<td>(-4%)</td>
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<td>Carlton</td>
<td>40.50</td>
<td>34.00</td>
<td>74.50</td>
<td>49.67</td>
<td>38.77</td>
<td>88.44</td>
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<tr>
<td>Dayton</td>
<td>40.00</td>
<td>18.00</td>
<td>58.00</td>
<td>43.00</td>
<td>25.00</td>
<td>68.00</td>
<td>17%</td>
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<tr>
<td>Dundee</td>
<td>20.12</td>
<td>21.00</td>
<td>41.12</td>
<td>35.91</td>
<td>46.49</td>
<td>82.40</td>
<td>100%</td>
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<tr>
<td>Lafayette</td>
<td>48.50</td>
<td>56.88</td>
<td>105.38</td>
<td>49.50</td>
<td>66.32</td>
<td>115.82</td>
<td>10%</td>
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<tr>
<td>McMinnville</td>
<td>11.98</td>
<td>52.07</td>
<td>64.05</td>
<td>23.52</td>
<td>57.28</td>
<td>80.80</td>
<td>26%</td>
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<tr>
<td>Newberg</td>
<td>33.68</td>
<td>39.10</td>
<td>72.78</td>
<td>30.96</td>
<td>51.22</td>
<td>82.18</td>
<td>13%</td>
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<tr>
<td>Sheridan**</td>
<td>44.01</td>
<td>29.51</td>
<td>73.52</td>
<td>47.34</td>
<td>32.50</td>
<td>79.84</td>
<td>9%</td>
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<tr>
<td>Willamina</td>
<td>27.72</td>
<td>41.25</td>
<td>68.97</td>
<td>32.44</td>
<td>48.34</td>
<td>80.78</td>
<td>17%</td>
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<tr>
<td>Yamhill</td>
<td>58.81</td>
<td>44.78</td>
<td>103.59</td>
<td>39.69</td>
<td>51.68</td>
<td>91.37</td>
<td>(-12%)</td>
</tr>
</tbody>
</table>

* For 900 cubic feet of water per month
** Proposed 2008 rate

Sources: Donovan Enterprises (for City of Sheridan)
League of Oregon Cities
## Yamhill County Infrastructure Survey
### Systems Development Charges: 2000-2008*

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td>Amity</td>
<td>$ 2,904</td>
<td>$ 1,428</td>
<td>$ 4,332</td>
<td>$ 2,000</td>
<td>$ 2,500</td>
<td>$ 7,714</td>
<td>78%</td>
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<tr>
<td>Carlton</td>
<td>3,300</td>
<td>4,876</td>
<td>8,176</td>
<td>4,600</td>
<td>5,385</td>
<td>12,989</td>
<td>59%</td>
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<tr>
<td>Dayton</td>
<td>2,500</td>
<td>3,500</td>
<td>7,100</td>
<td>3,633</td>
<td>1,265</td>
<td>6,123</td>
<td>(-14%)</td>
</tr>
<tr>
<td>Dundee</td>
<td>3,469</td>
<td>3,974</td>
<td>7,443</td>
<td>4,980</td>
<td>5,478</td>
<td>14,458</td>
<td>52%</td>
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<td>Lafayette</td>
<td>2,565</td>
<td>3,720</td>
<td>6,285</td>
<td>2,565</td>
<td>3,720</td>
<td>6,285</td>
<td>89%</td>
</tr>
<tr>
<td>McMinnville</td>
<td>960</td>
<td>2,400</td>
<td>3,360</td>
<td>**</td>
<td>2,870</td>
<td>6,230</td>
<td>(-2%)**</td>
</tr>
<tr>
<td>Newberg</td>
<td>3,415</td>
<td>2,631</td>
<td>6,046</td>
<td>5,032</td>
<td>4,884</td>
<td>9,916</td>
<td>91%</td>
</tr>
<tr>
<td>Sheridan***</td>
<td>3,672</td>
<td>2,315</td>
<td>5,987</td>
<td>3,797</td>
<td>2,394</td>
<td>6,191</td>
<td>2%</td>
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<tr>
<td>Willamina</td>
<td>1,850</td>
<td>2,550</td>
<td>4,400</td>
<td>2,077</td>
<td>2,650</td>
<td>4,727</td>
<td>38%</td>
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<tr>
<td>Yamhill</td>
<td>3,295</td>
<td>1,847</td>
<td>5,142</td>
<td>3,295</td>
<td>1,847</td>
<td>8,465</td>
<td>56%</td>
</tr>
</tbody>
</table>

* Systems development charge for single family residence
** McMinnville Water & Light not shown
*** Proposed 2000 rate

**Sources:** Donovan Enterprises (for City of Sheridan)  
League of Oregon Cities
Funding Options
“Interview Quotes”

- “Our rates are comparable to others in this region but we only have 800 water connections – very few people to pay for expansion.”

- “Various government bodies have an inability to raise rates to sell bonds to pay for services.”

- “Utility rates need to increase in order to keep up. Asked for 12½%, got 6½%, asked for 15%, got 7½% – after no rate increases in 10 years! There’s a reluctance to raise rates.”
Infrastructure Makes Headline News!

- “Struggling counties may miss out on stimulus funds.”
- “Strapped towns eye new option: mergers.”
- “A gas tax increase to fund bypass project?”
- “Project to reduce congestion between Newberg and Dundee could cost $620M.”
Infrastructure Summit – May 22, 2009
Highlights

- “The problem is now. We’re not keeping up.”
- “We can’t afford to make long-term plans.”
- “I don’t know how to get there.”
- “Growth is not paying its share of the costs.”
- “We are forced to think outside the box.”
- “We need to make citizens a part of the solution.”
Opportunities for Cooperation
- Regional/sub-regional solutions
- Water supply
- Water conservation
- Transportation: “There’s more cooperation than ever”
- Coordinate/messaging and messengers

Benefits of Cooperation
- Service availability
- System reliability: “No other options”
- Cost sharing
- Reduce competition
- Unified voice with public
Benefits of Community Visioning

- Sets a road map for the future with input from those that live, work and play in the community
- Emphasizes consensus building
- Prioritizes actions, allowing limited resources and time to be spent efficiently
- Enhances livability and economic vitality
- Ensures community ownership of recommendations
- Sustained commitment to attain shared benefits
Solutions: More Lodging

To capture economic benefits of 1.5 million visitors, Yamhill County must have more high amenity overnight accommodations.
Solutions: Zoning, Sites, Services

- Rezoning to accommodate prototype projects
- Redefine traditional industrial zones to allow contemporary employment uses
- Site assembly
- Countywide infrastructure strategy
- Coordinate opportunity sites/services
Solutions: Transient Lodging Tax

- State of Oregon levies 1 percent statewide lodging tax.
- Cities and counties may adopt local tax: typical rates range from 3 percent to 9 percent.
- 70% or more of revenues must be used for tourism promotion.
- Up to 30% of revenues can support local services.
Solutions: Other Funding Sources

- State partnership for infrastructure development
- Utility rates and SDCs benchmarked to peer communities
- Public/private partnerships
- Regional cooperation
Solutions: Regional Cooperation

- Model: Yamhill County Water Task Force
- Wastewater, transportation, other service needs
- Tourism, visitor facilities and services to accommodate 1.5 million visitors per year
- Funding solutions
- Coordinated messaging about infrastructure needs, priorities and possible solutions
Infrastructure Summit – May 22, 2009

Infrastructure Planning Principles

- Accommodate economic expansion / job growth countywide.
- Prepare now to meet future community needs.
- Coordinate infrastructure planning / land use.
- Growth pays for growth.
- O&M cost paid by current users. Reinvest in time avoid catastrophic costs.
- Leverage state/federal funds.
# Yamhill County Agri-Business Weather Report

<table>
<thead>
<tr>
<th>Sites</th>
<th>Today</th>
<th>Tomorrow</th>
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</thead>
<tbody>
<tr>
<td>- Cities</td>
<td>☀️</td>
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<tr>
<td>- Towns</td>
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<tr>
<td>- Rural</td>
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## Infrastructure

<table>
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</table>
Yamhill County Agri-Business Weather Report

Today

Agriculture
Wineries
Other Ag Businesses
Tourism
Tourism Businesses
Zoning

Tomorrow

Agriculture
Wineries
Other Ag Businesses
Tourism
Tourism Businesses
Zoning

?
Benefits of Moving Forward

- Accommodate job growth
- Capture value-added of visitor spending
- Boost quality of life
- Yield long-term cost savings
- Expand utility rate base; lower costs to ratepayers
Thank You!